



FEDERAL RESERVE SYSTEM

Agency information collection activities: Announcement of Board Approval under Delegated Authority and Submission to OMB

AGENCY: Board of Governors of the Federal Reserve System.

SUMMARY: The Board of Governors of the Federal Reserve System (Board) is adopting a proposal to extend for three years, with revision, the Recordkeeping and Disclosure Requirements Associated with Consumer Financial Protection Bureau's (CFPB) Regulation M (Consumer Leasing) (FR M; OMB No. 7100-0202).

FOR FURTHER INFORMATION CONTACT: Federal Reserve Board Clearance Officer – Nuha Elmaghrabi – Office of the Chief Data Officer, Board of Governors of the Federal Reserve System, Washington, DC, 20551 (202) 452-3829. Telecommunications Device for the Deaf (TDD) users may contact (202) 263-4869, Board of Governors of the Federal Reserve System, Washington, DC 20551.

OMB Desk Officer – Shagufta Ahmed – Office of Information and Regulatory Affairs, Office of Management and Budget, New Executive Office Building, Room 10235, 725 17th Street, NW, Washington, DC 20503 or by fax to (202) 395-6974.

SUPPLEMENTARY INFORMATION: On June 15, 1984, the Office of Management and Budget (OMB) delegated to the Board authority under the Paperwork Reduction Act (PRA) to approve of and assign OMB control numbers to collection of information requests and requirements conducted or sponsored by the Board. Board-approved collections of information are incorporated into the official OMB inventory of currently approved collections of information. Copies of the Paperwork Reduction Act Submission, supporting statements and approved collection of information instrument(s)

are placed into OMB's public docket files. The Board may not conduct or sponsor, and the respondent is not required to respond to, an information collection that has been extended, revised, or implemented on or after October 1, 1995, unless it displays a currently valid OMB control number.

Final approval under OMB delegated authority of the extension for three years, with revision, of the following report:

Report title: Recordkeeping and Disclosure Requirements Associated with Consumer Financial Protection Bureau's (CFPB) Regulation M (Consumer Leasing).

Agency form number: FR M.

OMB control number: 7100-0202.

Frequency: Disclosures, 461 times per year; and Advertising, quarterly.

Respondents: State member banks with assets of \$10 billion or less that are not affiliated with an insured depository institution with assets over \$10 billion (irrespective of the consolidated assets of any holding company); non-depository affiliates of such state member banks; and non-depository affiliates of bank holding companies that are not affiliated with an insured depository institution with assets over \$10 billion.

Estimated number of respondents: 5.

Estimated average hours per response: Disclosures, 6.5 minutes; and advertising, 25 minutes.

Estimated annual burden hours: Disclosures, 250 hours; and advertising, 8 hours.

General description of report: The Consumer Leasing Act (CLA) and Regulation M require lessors uniformly to disclose to consumers the costs, liabilities, and terms of consumer lease transactions. Disclosures are provided to consumers before they enter

into lease transactions and in advertisements that state the availability of consumer leases on particular terms. The regulation generally applies to consumer leases of personal property in which the contractual obligation does not exceed \$50,000, adjusted annually for inflation, and has a term of more than four months.¹ The CLA does not provide exemptions for small entities.

Legal authorization and confidentiality: The Board's Legal Division has determined that sections 105(a) and 187 of the Truth in Lending Act (15 U.S.C. 1604(a) and 1667(f)), authorize the CFPB to issue regulations to carry out the provisions of the CLA. The CFPB's Regulation M, 12 CFR part 1013, implements these statutory provisions. An institution's recordkeeping and disclosure obligations under Regulation M are mandatory. Because the Board does not collect any information pursuant to the CFPB's Regulation M, no issue of confidentiality normally arises. In the event the Board were to retain information regarding consumer leases during the course of an examination, the information regarding the consumer and the lease would be kept confidential pursuant to section (b)(8) of the Freedom of Information Act (5 U.S.C. 522 (b)(8)).

Current actions: On April 5, 2018, the Board published a notice in the Federal Register (83 FR 14639) requesting public comment for 60 days on the extension, with revision, of the Recordkeeping and Disclosure Requirements Associated with the Consumer Financial Protection Bureau's (CFPB) Regulation M (Consumer Leasing). The Board proposes to revise the methodology for estimating burden for disclosures to provide additional clarity and transparency into the calculation. Specifically, the Board proposes to estimate disclosure burden using the estimated average number of lease contracts each Board-supervised institution initiates annually, assuming it takes approximately 6.5

¹ For 2018, the Regulation M threshold is \$55,800.

minutes to populate and provide each disclosure. The comment period for this notice expired on June 4, 2018. The Board did not receive any comments. The revisions will be implemented as proposed.

Board of Governors of the Federal Reserve System, June 14, 2018.

Michele Taylor Fennell,

Assistant Secretary of the Board.

Billing Code 6210-01-P

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